

SENATE JOINT RESOLUTION NO. 3

(By Senator Snyder)

[Introduced January 12, 2011; referred to the Committee on the
Judiciary; and then to the Committee on Finance.]

Proposing an amendment to the Constitution of the State of West
Virginia, amending section one-b, article X thereof, relating
to homestead exemption increase; numbering and designating
such proposed amendment; and providing a summarized statement
of the purpose of such proposed amendment.

*Resolved by the Legislature of West Virginia, two thirds of
the members elected to each house agreeing thereto:*

That the question of ratification or rejection of an amendment
to the Constitution of the State of West Virginia be submitted to
the voters of the state at the next general election to be held in
the year 2012, which proposed amendment is that section one-b,
article X thereof be amended to read as follows:

1 **ARTICLE X. TAXATION AND FINANCE.**

2 **§1b. Property tax limitation and homestead exemption amendment of**
3 **1982.**

4 Ad valorem property taxation shall be in accordance with this
5 section and other applicable provisions of this article not
6 inconsistent with this section.

7 *Subsection A -- Value; Rate of Assessment; Exceptions*

8 Notwithstanding any other provisions of this Constitution and
9 except as otherwise provided in this section, all property subject
10 to ad valorem taxation shall be assessed at sixty percent of its
11 value, as directed to be ascertained in this section, except that
12 the Legislature may from time to time, by general law agreed to by
13 two thirds of the members elected to each house, establish a higher
14 percentage for the purposes of this paragraph, which percentage
15 shall be uniform as to all classes of property defined in section
16 one of this article, but not more than one hundred percent of ~~such~~
17 the value.

18 Notwithstanding the foregoing, for July 1, 1982, and July 1 of
19 each year thereafter until the values may be fixed as a result of
20 the first statewide reappraisal hereinafter required, assessments
21 shall be made under the provisions of current statutory law, which
22 is hereby validated for ~~such~~ that purpose until and unless amended
23 by the Legislature. Assessment and taxation in accord with this
24 section ~~shall be deemed to be~~ is equal and uniform for all

1 purposes.

2 *Subsection B -- Determination of Value*

3 The Legislature shall provide by general law for periodic
4 statewide reappraisal of all property, which reappraisal shall be
5 related for all property to a specified base year which, as to each
6 ~~such~~ reappraisal, shall be uniform for each appraisal for all
7 classes of property and all counties. In such law, the Legislature
8 shall provide for consideration of: (1) Trends in market values
9 over a fixed period of years prior to the base year; (2) the
10 location of the property; and (3) ~~such~~ other factors and methods as
11 it may determine: *Provided*, That with respect to reappraisal of
12 all property upon the base year of 1980, ~~such~~ reappraisals are
13 deemed to be valid and in compliance with this section: *Provided*,
14 *however*, That with respect to farm property, as defined from time
15 to time by the Legislature by general law, the determination of
16 value shall be according to its fair and reasonable value for
17 farming purposes, as may be defined by general law.

18 The results of each statewide appraisal shall upon completion
19 be certified and published and errors therein may be corrected, all
20 as provided by general law. The first ~~such~~ statewide appraisal
21 shall be completed, certified and published on or before March 31,
22 1985, for use when directed by the Legislature.

23 The Legislature shall further prescribe by general law the
24 manner in which each statewide reappraisal shall be employed to

1 establish the value of the various separately assessed parcels or
2 interests in parcels of real property and various items of personal
3 property subject to ad valorem property taxation, the methods by
4 which increases and reductions in value subsequent to the base year
5 of each statewide reappraisal shall be ascertained, and require the
6 enforcement thereof.

7 *Subsection C -- General Homestead Exemption*

8 Notwithstanding any other provisions of this Constitution to
9 the contrary, no less than the first \$20,000 of assessed valuation
10 of any real property, or of personal property in the form of a
11 mobile home, used exclusively for residential purposes and occupied
12 by the owner or one of the owners thereof as his or her residence
13 who is a citizen of this state and who is sixty-five years of
14 age or older or is permanently and totally disabled as that term
15 may be defined by the Legislature, shall be exempt from ad valorem
16 property taxation, subject to ~~such~~ the requirements, limitations
17 and conditions as shall be prescribed by general law.

18 Notwithstanding any other provision of this Constitution to
19 the contrary, the Legislature ~~shall have~~ has the authority to
20 provide by general law for an exemption from ad valorem property
21 taxation in an amount not ~~to exceed~~ less than the first \$20,000 of
22 value of any real property, or of personal property in the form of
23 a mobile home, used exclusively for residential purposes and
24 occupied by the owner or one of the owners thereof as his or her

1 residence who is a citizen of this state, and who is under sixty-
2 five years of age and not totally and permanently disabled:
3 *Provided*, That upon enactment of ~~such~~ the general law, this
4 exemption shall only apply to ~~such~~ the property in any county in
5 which the property was appraised at its value as of January 1,
6 1980, or thereafter, as determined by the Legislature, and this
7 exemption shall be phased in over ~~such~~ the period of time not to
8 exceed five years from the date ~~such~~ the property was so appraised,
9 or such longer time as the Legislature may determine by general
10 law: *Provided, however*, That in no event shall any one person and
11 his or her spouse, or one homestead be entitled to more than one
12 exemption under these provisions: *Provided further*, That these
13 provisions are subject to ~~such~~ the requirements, limitations and
14 conditions as shall be prescribed by general law: And provided
15 further, That the Legislature has the authority to provide tax
16 relief by general law by calculating a percentage of the average
17 cost or value by county of any real property, or of personal
18 property in the form of a mobile home, used exclusively for
19 residential purposes and occupied by the owner or one of the owners
20 thereof as his or her residence who is a citizen of this state
21 and who is sixty-five years of age or older or is permanently and
22 totally disabled, with the homestead exemption never less than
23 \$20,000.

24 The Legislature ~~shall have~~ has the authority to provide by

1 general law for property tax relief to citizens of this state who
2 are tenants of residential or farm property.

3 *Subsection D -- Additional Limitations on Value*

4 With respect to the first statewide reappraisal, pursuant to
5 this section, the resulting increase in value in each and every
6 parcel of land or interest therein and various items of personal
7 property subject to ad valorem property taxation over and above the
8 previously assessed value shall be allocated over a period of ten
9 years in equal amounts annually.

10 The Legislature may by general law also provide for the
11 phasing in of any subsequent statewide reappraisal of property.

12 *Subsection E -- Levies for Free Schools*

13 In equalizing the support of free schools provided by state
14 and local taxes, the Legislature may require that the local school
15 districts levy all or any portion of the maximum levies allowed
16 under section one of this article which has been allocated to ~~such~~
17 the local school districts.

18 Within the limits of the maximum levies permitted for excess
19 levies for schools or better schools in sections one and ten of
20 this article, the Legislature may, in lieu of the exercise of such
21 powers by the local school districts as heretofore provided, submit
22 to the voters, by general law, a statewide excess levy, and if it
23 ~~be is~~ is approved by the required number of voters, impose ~~such~~ the
24 levy, subject however to all the limitations and requirements for

1 the approval of ~~such~~ the levies as in the case of a district levy.
2 The law submitting the question to the voters shall provide, upon
3 approval of the levy by the voters, for the assumption of the
4 obligation of any local excess levies for schools then in force
5 theretofore authorized by the voters of a local taxing unit to the
6 extent of ~~such~~ the excess levies imposed by the state and so as to
7 avoid double taxation of those local districts. The Legislature
8 may also by general law reserve to the school districts ~~such~~ the
9 portions of the power to lay authorized excess levies as it may
10 deem appropriate to enable local school districts to provide
11 educational services which are not required to be furnished or
12 supported by the state. If a statewide excess levy for the support
13 of free schools is approved by the required majority, the revenue
14 from ~~such~~ a statewide excess levy shall be deposited in the state
15 Treasury and be allocated first for the local obligations assumed
16 and thereafter for ~~such~~ part of the state effort to support free
17 schools, by appropriation or as the law submitting the levy to the
18 voters shall require, as the case may be.

19 The defeat of any ~~such~~ proposed statewide excess levy for
20 school purposes ~~shall~~ may not in any way abrogate or impair any
21 local existing excess levy for ~~such~~ that purpose nor prevent the
22 adoption of any future local excess levy for ~~such~~ that purpose.

23 *Subsection F -- Implementation*

24 In the event of any inconsistency between any of the

1 provisions of this section and other provisions of this
2 Constitution, the provisions of this section shall prevail. The
3 Legislature shall have plenary power to provide by general law for
4 the equitable application of this article and, as to taxes to be
5 assessed prior to the first statewide reappraisal, to make such
6 laws retroactive to July 1, 1982, or thereafter.

7 *Resolved further*, That in accordance with the provisions of
8 article eleven, chapter three of the Code of West Virginia, 1931,
9 as amended, such proposed amendment is hereby numbered "Amendment
10 No. 1" and designated as the "Homestead Exemption Calculation
11 Amendment" and the purpose of the proposed amendment is summarized
12 as follows: "The purpose of this amendment is to provide an
13 alternative method of calculating the homestead exemption so the
14 exemption is never less than \$20,000."

NOTE: The purpose of this resolution is to provide an alternative method of calculating the homestead exemption based on the average cost or value of the residential property by county. The exemption shall never be less than \$20,000.

Strike-throughs indicate language that would be stricken from the present Constitution, and underscoring indicates new language that would be added.